

By FAX/POST/e-Mail

GOVERNMENT OF ODISHA  
FOOD, SUPPLIES & CONSUMER WELFARE DEPARTMENT

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No. 14957 /FS&CW., Bhubaneswar, dated 01/10/2022  
FSCW-PL-POL-0002-2022

From

Shri V.V. Yadav, I.A.S.  
Principal Secretary to Government

To

All Collectors

Sub: Food and Procurement Policy for the Kharif Marketing Season (KMS)  
2022-23.

Madam/ Sir,

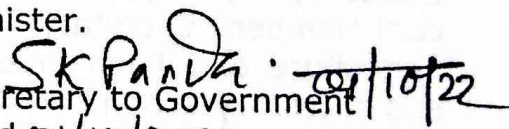
I am to enclose the Food & Procurement Policy for the Kharif Marketing Season (KMS) 2022-23 as approved by the Cabinet for kind information and necessary action.

Yours faithfully,

  
Principal Secretary to Government

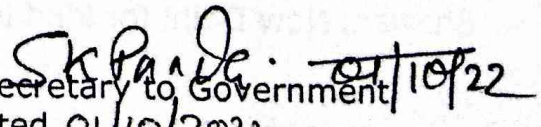
Memo No. 14958 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosures forwarded to PS to Chief Minister/ PS to Minister, Food Supplies & Consumer Welfare for kind information of Hon'ble Chief Minister/ Hon'ble Minister.

  
Under Secretary to Government

Memo No. 14959 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosures forwarded to OSD to Chief Secretary/ PS to Member, Board of Revenue, Odisha, Cuttack/ PS to D.C.-cum-A.C.S./ PS to Agriculture Production Commissioner/ PS to Chief Administrator, KBK districts for kind information of Chief Secretary/ Member, Board of Revenue/ D.C.-cum-A.C.S./ Agriculture Production Commissioner/ Chief Administrator.

  
Under Secretary to Government


Memo No. 14960 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosure forwarded to Director General and Inspector General, Police, Odisha/ Director, Vigilance, Odisha, Cuttack for kind information.

  
Under Secretary to Government

Memo No. 14961 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosure forwarded to Additional Chief Secretary to Government, R & DM Department/ Additional Chief Secretary to Government, Department of Water Resources/ Principal Secretary to Government, Department of Agriculture & FE/ Principal Secretary to Government, Panchayati Raj & DW Department/ Principal Secretary to Government, Parliamentary Affairs Department/ Secretary to Government, Department of Co-operation/ Commissioner-cum-Secretary to Government, Department of Women & Child Development/ Commissioner-cum-Secretary to Government, Department of Mission Shakti for kind information and necessary action.

  
Under Secretary to Government


Memo No. 14962 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosure forwarded to all Revenue Divisional Commissioners for kind information and necessary action.

  
Under Secretary to Government

Memo No. 14963 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosure forwarded to the General Manager, Food Corporation of India, Vani Vihar, Bhubaneswar for information and necessary action.

  
Under Secretary to Government


Memo No. 14964 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosure forward to the Managing Director, OSCSC Ltd., Bhubaneswar/ the Registrar, Co-operative Societies, Odisha, Bhubaneswar/ the Director, Agricultural Marketing-cum-Member Secretary, OSAM Board, Bhubaneswar/ the Director, Agriculture and Food Production, Odisha, Bhubaneswar for information and necessary action.

  
Under Secretary to Government

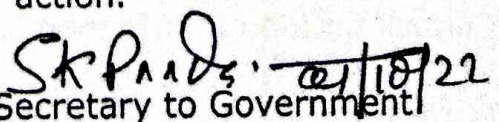
Memo No. 14965 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosure forwarded to the Under Secretary, Government of India, Ministry of Consumer Affairs, Food & Public Distribution, Department of Food & Public Distribution, Krishi Bhawan, New Delhi for kind information.

  
Under Secretary to Government

Memo No. 14966 /FS&CW., Dated 01/10/2022

Copy along with copy of enclosure forwarded to all officers of FS & CW Department for information and necessary action.

  
Under Secretary to Government

Memo No. 14967 /FS&CW.,

Dated 01/10/2022

Copy along with copy of enclosure forwarded to the Registrar, Odisha Information Commission, Toshali Plaza, Bhubaneswar for information and necessary action.

*SK PANDR. 01/10/22*  
Under Secretary to Government

Memo No. 14968 /FS&CW.,

Dated 01/10/2022

Copy along with copy of enclosure forwarded to all Chief CSOs/CSOs for information and necessary action.

*SK PANDR. 01/10/22*  
Under Secretary to Government

Memo No. 14969 /FS&CW.,

Dated 01/10/2022

Copy along with copy of enclosure forwarded to the Secretary, All Odisha Rice Millers Association, S-3/36, Sec-A, Zone-B, Mancheswar Industrial Estate, Bhubaneswar for information.

*SK PANDR. 01/10/22*  
Under Secretary to Government

Memo No. 14970 /FS&CW.,

Dated 01/10/2022

Copy along with copy of enclosure forwarded to Computer Cell, FS & CW Department for information and necessary action.

*SK PANDR. 01/10/22*  
Under Secretary to Government

Memo No. 14971 /FS&CW.,

Dated 01/10/2022

50 (Fifty) spare copies for Guard file.

*SK PANDR. 01/10/22*  
Under Secretary to Government

**FOOD AND PROCUREMENT POLICY FOR THE KHARIF  
MARKETING SEASON (KMS) 2022-23**

1. **Objectives:**

Paddy procurement plays a critical role in Odisha's rural economy. The State Government procured last year (in Kharif Marketing Season 2021-22) 71.03 lakh MT of paddy (equivalent to roughly 48.08 lakh MT in terms of rice). Odisha is among the top rice-surplus States in the Country. The State is not only able to meet its requirement under National Food Security Act, State Food Security Scheme and Other Welfare Schemes but also delivers substantial quantum to the Central Pool through the Food Corporation of India (FCI), helping to meet food grain needs of deficit States in the Country. The objectives of the Food and Procurement Policy are:

- To ensure payment of Minimum Support Price (MSP) to farmers for paddy of Fair Average Quality (FAQ) which they bring to the Paddy Purchase Centres (PPCs) for sale.
- To ensure timely milling of procured paddy with effective and efficient use of available rice milling capacity through Custom Milling (CM) route and timely delivery of rice by the millers to Food Corporation of India (FCI) Depots and Rice Receiving Centres (RRCs) of Odisha State Civil Supplies Corporation Ltd (OSCSC).
- To ensure timely availability of rice for Public Distribution System (PDS) and other welfare schemes across the State through efficient utilization of available storage godowns and prudent movement of stocks.

2.1 **Expected Outcomes:** The Food and Procurement Policy will have the following outcomes:

2.2 Farmers would be able to sell their paddy as close as possible to their villages/habitations by locating good number of Paddy Purchase Centres (**PPCs**) to be operated by PACS/ LAMPCS /WSHG /Pani Panchayats (to be referred as societies, in short). The District Administration would tag the PPCs (and societies) with clear delineated areas so as to cover all villages in the State well in advance for farmers to register and sell their paddy.

2.3 Farmers are made aware of the FAQ norms so that they bring in paddy of the specified quality to the PPCs and get Minimum Support Price (MSP) for their paddy.

- 2.4 RMCs will strive to create adequate facilities to handle and clean the non FAQ paddy at the cost of farmers.
- 2.5 Payment for paddy purchased from farmers by the State procuring agencies or their authorized societies is made through direct transfer to the bank accounts of the farmers by electronic mode.
- 2.6 Paddy allocated/ Issued to Rice Mills from PPCs is proportional to the capacity of the mill, security amount deposited by Millers and also their past performance.
- 2.7 Paddy will be purchased from farmers who register themselves for the purpose with their nearest societies before the start of procurement operations for Kharif/ Rabi season. Farmers who are willing to sell their surplus paddy through societies shall have to submit their personal/ land/ bank account details through a pre-designed registration form to their respective societies. The farmer also has to submit his/ her (or family member's) mobile phone number which is a mandatory requirement. The societies shall digitize the registration forms, and upload the details in the Farmer Registration portal of the website [www.foododisha.in](http://www.foododisha.in) of FS & CW Department within the prescribed time schedule. The procuring societies shall endeavour to bring more and more farmers into the procurement fold so that they receive the benefit of MSP.
- 2.8 Rice Mills(mills, in short), selected for custom milling, shall be tagged to the PPCs/ societies by the District Administration to ensure that the estimated procurement target of a society takes care of the surplus paddy assessed as per Farmer Registration portal/module in [www.foododisha.in](http://www.foododisha.in). It is also to be ensured that the overall target of the district is covered either by the local millers or in combination with outside district millers.
- 2.9 The receipt of paddy by custom millers from PPCs and delivery of Custom Milled Rice (CMR) thereof to **RRCs/ FCI** shall be monitored on real time basis through web based applications.
- 2.10 As far as possible, tagging of Mills to PPCs and Mills to RRCs shall be made on the basis of distance from the mill, capacity of the RRC and requirement of rice for PDS in the area apart from mill capacity for minimizing overall cost of transportation from paddy receipt to rice delivery for PDS. The exercise shall ensure minimum transportation costs and may be facilitated through IT applications.
- 2.11 The processes shall be made transparent, efficient and accountable by use of Information and Communications Technology (ICT) at various stages of paddy/ rice procurement operations.

- 3.1 **Farmer Registration:** All procuring societies are to digitize, by the prescribed timeline, the farmer registration forms (containing personal details of the farmer and his/her plot-wise land details) through a web based application called 'Farmer Registration' system under their login and secure password. Farmers are expected to submit their registration forms to their societies concerned (with a view to selling paddy to Government) by the timeline fixed by FS & CW Department. All farmers should be encouraged to register their land details through the pre-designed registration form. 100% field verification and validation of paddy growing areas through satellite imagery are being adopted to verify land details and paddy crop growing areas. The authenticity of land details shall be verified in terms of modalities to be prescribed by FS & CW Department.
- 3.2 All farmers have to provide identity proof in terms of Aadhaar for the purpose of registration. Any farmer who does not have an Aadhaar card shall furnish an Aadhaar Enrolment Number as proof of having applied for the card from UIDAI.
- 3.3 **Yield rate for paddy procurement :** The FS & CW Department will finalize the per acre yield of paddy for both irrigated land and non-irrigated land for Kharif/ Rabi season and update it in the Farmer Registration system at State level before the start of the actual procurement operations. Paddy shall be procured from registered farmers as per yield rate so finalized. There shall be no deduction towards personal consumption from the marketable surplus of farmers.
- 3.4 The per acre yield of paddy in rainfed and irrigated areas for the purpose of paddy procurement is to be fixed as per realistic estimates of yield by Agriculture and FE Department and current year's crop condition. However, the per acre yield rate for a common command area (irrigated land) would be fixed consistently across the command area which may cut across districts.
- 3.5 This information is very crucial as it is to be used while calculating surplus paddy of an individual farmer and assessing the surplus paddy available under a society. All the information regarding **per acre yield** has to be finalized well before the start of the actual procurement season so that same is incorporated in the Farmer Registration system to enable generation of Master Farmer register for each procuring society.
- 3.6 **District wise Targets:** The paddy procurement target of a district would be the total of surplus of all participating societies in the

district. This would be generated online based on the verified and updated database of farmer registration. FS & CW Department will finalize the district wise procurement targets based on the updated database as mentioned above in such a manner so as to achieve the overall procurement target.

3.7 **-Overall Target:** Having regard to overall agricultural production, requirement of foodgrains for National Food Security Act, State Food Security Scheme and other Welfare Schemes and the trend of procurement in past few years, the procurement target is fixed at 48 lakh MT in terms of rice (equivalent to, roughly, 71 lakh MT in terms of paddy) for the Kharif Marketing Season 2022-23 for procuring paddy/ rice through State Government agencies. Season-wise break up of this target would be 38 lakh MT in terms of rice (equivalent to 57 lakh MT of paddy) in Kharif and 10 lakh MT in terms of rice (equivalent to 14 lakh MT of paddy) in Rabi. There is no bar on procurement of any higher quantum if more paddy comes to PPCs/ mandies from registered farmers in terms of surplus defined herein before.

3.8 Minister, FS & CW is authorized to modify the overall target as per need.

4.1 **The Decentralized Procurement Scheme (DCP):** Odisha has accepted the DCP scheme proposed by Government of India since KMS 2003-04. Under the scheme, the State Government, through OSCSC and other State procuring agencies (wherever necessary), procure paddy, mill it through custom millers and utilize the milled rice to meet the needs under NFSA, SFSS, PM POSHAN (erstwhile MDM), SNP & other Welfare Schemes. The role of FCI has been reduced to accepting surplus rice from the State and evacuating it to outside consuming States. It is also responsible to bring in wheat required for PDS to the State to meet requirement under NFSA and other schemes. The MoU between Government of India and Government of Odisha for undertaking Decentralized Procurement (DCP) of Paddy and delivery of Custom Milled Rice (CMR) communicated by Department of Food and Public Distribution, Government of India vide letter No.3(3)/2015-Py.I dated 17.09.2020 is applicable for the KMS 2019-20 onwards for procurement operations of paddy/ rice.

4.2 **Procurement by OSCSC/ Agencies of State Government:** OSCSC will procure paddy, with the help of societies (PACS/ LAMPCS/ WSHGs/ Pani Panchayats) acting as its commission agents,

In accordance with the guidelines issued by the FS & CW Department and as per its own operational guidelines. It would be up to the FS & CW Department to consider participation of other State procuring agencies, if need arises, in procurement of paddy in rice-surplus districts only. At present, OSCSC is fully equipped to conduct paddy procurement operations throughout the State. One society shall procure for one State agency only. The assigning of a society or societies to a State agency shall be done on the orders of the Collector.

- 4.3 **Role of OSCSC in paddy/rice procurement operations and its financial burden:** Currently, OSCSC is the only agency entrusted to carry out paddy/ rice procurement operations on behalf of the State Government. OSCSC performs the task by way of upfront investment through bank borrowings from commercial banks. The borrowings of OSCSC touched a high of Rs.19,843 crore in previous KMS 2021-22 in order to finance its paddy/rice procurement operations. The expenditure incurred by OSCSC is reimbursed by Government of India. As per Memorandum of Understanding (MoU) there has to be zero financial liability on the State Government/ procuring agency with regard to permissible items of cost to be borne by Government of India. The anticipated cost is required to be released in the form of advance subsidy at the rate of 90% of admissible claim on quantity basis in the first month of every quarter. Further, the State Government/ agency shall be paid quarterly provisional subsidy after deduction of the advance amount. However, the release of advance and provisional subsidy is irregular. FS & CW Department shall pursue the matter regularly with Government of India for clearance of outstanding dues of OSCSC.

For smooth paddy/ rice procurement operations, OSCSC Ltd. is allowed for borrowing from commercial banks which would be recouped on receipt of funds from Government of India as per MoU.

- 4.4 **Procurement by FCI:** The main activity of FCI in the State at present is to receive surplus CMR from the State Government and evacuate it to deficit States on regular basis so that space is created to receive CMR in State's own Rice Receiving Centers (RRCs).
- 4.5 **Requirement of rice for the State PDS:** At present, Odisha requires about 22 lakh MT of rice annually to meet its requirement under NFSA and Other Welfare Schemes like PM POSHAN (erstwhile MDM), SNP etc. and under State Food Security Scheme. Supply of fortified rice under PDS & Other Welfare Schemes like PM-POSHAN



(erstwhile MDM), SNP etc. shall be implemented as per instructions issued by Department of Food and Public Distribution, Government of India from time to time. Fortified rice is being received by FCI in Central Pool. Balance surplus rice proposed to be procured in KMS 2022-23 shall be delivered to FCI which shall pay for the cost of such rice as per rates decided by Government of India for the KMS.

4.6 **State Pool:** There shall be a State Pool to meet the requirement of food grains under the State Food Security Scheme and to meet shortfall in allocations by Central Government for welfare schemes. OSCSC shall procure food grains under State Pool and maintain separate accounts.

4.7 **Prudent movement of food grains:** OSCSC shall transport rice from surplus districts to deficit ones to meet the requirement under PDS as well as for optimum utilization of storage space. The transportation of rice from surplus districts to deficit ones and to or from storage depots shall be made in accordance with a prudent movement plan to be chalked out by OSCSC. Least cost method shall be the governing principle underlying all movements of food grains to or from storage depots and from one district to another.

5.1 **Minimum Support Price of paddy, specification of FAQ paddy and procurement period:** The Government of India has announced the following Minimum Support Price (MSP) for different varieties of paddy conforming to Fair Average Quality (FAQ) for KMS 2022-23:

(i) Common : Rs.2040/- per quintal

(ii) Grade "A" : Rs.2060/- per quintal

5.2 **Quality of Paddy/Rice:** Paddy/rice shall be in sound merchantable condition, sweet, dry, clean, wholesome, of good food value, uniform in colour and size of grains and free from moulds, weevils, obnoxious smell, *Argemone Mexicana*, *Lathyrussativus* (Khesari) and admixture of deleterious substances.

5.3 The detailed quality specifications of paddy and rice as laid down by Government of India for KMS 2022-23 shall be applicable in the State. Payment of MSP is applicable only for paddy of Fair Average Quality and sale of non-FAQ paddy below the MSP will not amount to distress sale.

5.4 In case of any natural calamity like unseasonal rains which causes discoloration, paddy under relaxed specifications (URS) (as and when approved by Government of India) may be accepted by the

State Government and the resultant rice of such URS paddy may be used as per directions of Government of India .

- 5.5 Procurement Period:** Paddy (Kharif Crop) will be procured within the period from 1.11.2022 to 31.3.2023. Paddy (Rabi Crop) will be procured within the period from 1.5.2023 to 30.6.2023. Districts will schedule their procurement period within these broad timelines. The last date for delivery of CMR of paddy (Kharif/ Rabi Crop) will be as per the timelines fixed by Government of India. However, considering factors that call for early recovery of CMR from custom millers, FS & CW Department is authorized to reschedule such timeline for delivery of CMR.
- 6.1 State Level Procurement Committee (SLPC):** The State Level Procurement Committee under the chairmanship of the Chief Secretary to Government shall review arrangements for paddy procurement operations at the beginning of each Kharif/ Rabi procurement season. Further, it shall review status of procurement of paddy and delivery of rice by OSCSC/ any other State procuring agency in respect of previous season and issue suitable instructions for the guidance of all stakeholders for smooth procurement operations.
- 6.2 District Level Procurement Committee (DLPC):** District Level Procurement Committee has been constituted in each district under the chairmanship of respective Collector. Hon'ble MP(s) of the district, all Hon'ble MLAs of the district and Zilla Parishad President shall be its members. PD, DRDA, Deputy Director of Agriculture, Sub-Collectors, Chief Civil Supplies Officer/ Civil Supplies Officer (CSO), DRCS, Secretary of DCCB, DSWO, EE (Irrigation), Secretaries of RMCs, representatives of State procuring agencies and such other persons/ officials as decided by Government in FS & CW Department would be its members. The DLPC is expected to meet in the month of October (for early procuring districts) or November (for late procuring districts) for Kharif season and in April for Rabi season to finalize the date(s) of start of procurement operations, number and names of the societies and location of PPC(s), fix number of PPC/ *mandi* days for each PPC/ *mandi*, review the preparations for procurement in the district and take decisions in any matter relating to procurement not specified in this policy for improving procurement operations.
- 6.3 Society Level Procurement Committee (SoLPC):** A Society Level Procurement Committee shall be constituted for each procuring

society (PACS/ LAMPCS/ WSHG/ Pani Panchayat) with its Secretary as the convener. The local R.I., VAW, three to six farmers in the jurisdictional area of the society, Executive Officer(s) of GPs (within the jurisdiction of the society) shall be members of this committee.

Elected President of the society or a farmer member nominated by the committee members shall be president of the SoLPC. However, question of nomination will not arise during the continuation of the elected President of the society. **BDO** of the Block under which the society is located shall notify the committee.

A panel of names of farmers covering all villages shall be given by the procuring society through Co-operation Extension Officer of the Block/ Mission Shakti Co-ordinator. The BDO is required to choose three to six (at the maximum) farmers for the committee. The names shall be so chosen as to represent at least one farmer from area covered by each PPC. This exercise would be completed by all BDOs by mid October.

Wherever WSHGs or Pani Panchayats are engaged in paddy procurement, DSWO/ E.E .concerned of W.R. Department shall take steps to ensure that SoLPCs are formed in respect of those procuring societies.

6.4 The Society Level Procurement Committee (**SoLPC**) shall be in overall charge of procurement of paddy in the society. **It will resolve quality issues concerning paddy arising in Paddy Procurement Centres.** It will resolve, with assistance of officials, any difficulties being faced during actual paddy procurement operations by farmers. Wherever SoLPC brings any unresolved issues to CSOs/DRCS/ARCS, such issues shall be resolved on an immediate basis.

7.1 **Procuring Societies: Role/ responsibility/ jurisdiction/ selection:** Societies shall procure paddy from registered farmers and ensure that payment of farmers' dues is credited within 24 to 48 hours of purchase. It will create awareness among farmers about FAQ norms and ensure that dry and clean paddy comes to the *mandi* or PPC. The society shall submit an **advance action plan** to the Collector through the BDO for successful conduct of paddy procurement by it.

7.2 **Advance intimations to farmers for purchase of paddy:** Registered farmers who are found to be eligible after verification need to be informed beforehand through their registered mobile about date of sale and quantity of paddy to be sold. Through adoption of ICT the Department has been informing farmers in

advance through SMS to their mobile phones regarding date of purchase of paddy, place and quantity of purchase before start of procurement in Kharif/ Rabi season. Through such technology the Department has also prioritized right of small and marginal farmers to sell paddy to Government. This would continue in current KMS.

- 7.3 Each society shall register its details online, including mobile phone number of the Secretary, on the Department's website [www.foododisha.in](http://www.foododisha.in). Those societies which have already registered may update their current status.
- 7.4 The jurisdictional area shall be delineated clearly among societies so as to cover all areas and to avoid confusion among farmers. This should be well publicized among farmers of the area so that they know the location of the PPC/ *mandi* to bring their surplus paddy for sale. It is a fact that nearly entire rural Odisha has been covered by PACS/ LAMPCS which have clear cut demarcation. This demarcation may be followed for delineation of jurisdiction among societies. This exercise has been done in previous years before procurement operations and only changes in jurisdiction, if any, may be notified.
- 7.5 **Engagement of societies for procurement:** The District Collector with the assistance of Chief C.S.O./ CSO-cum-District Manager, DRCS/ ARCS, DSWO, Deputy Director, Agriculture/ DAO, Executive Engineer, Lift Irrigation and any other officer considered suitable by him shall prepare and finalize a list of **societies** which will participate in paddy procurement operations as agents of OSCSC. Currently, PACS/ LAMPCS have been playing a dominant role in paddy procurement operations. However, districts shall encourage eligible Women SHGs to participate in such operations. Where PACS/ LAMPCS have failed to perform their assigned role or where it is felt WSHGs shall deliver the service more efficiently or where it is necessary to extend the outreach of procurement operations through WSHGs, District Collector may assign them to procure paddy from registered farmers in specified Gram Panchayat(s) or villages thereof.
- 8.1 **Registration of actual tillers including sharecroppers, small and marginal farmers:** FS & CW Department and Co-operation Department shall create enabling conditions for entry of more actual tillers of soil including sharecroppers, small and marginal farmers into the government procurement fold.
- 9.1 **Paddy Procurement Automation System (P-PAS):** Farmer Registration system will help put in place a database to carry out

procurement operations. OSCSC and its commission agents (societies) shall conduct procurement operations by using the common platform provided by P-PAS. P-PAS uses the output of Farmer Registration system such as verified land details and quantum of surplus paddy (available with each farmer of the society) to capture purchase transactions. All payments to farmers under P-PAS are done electronically and transferred directly to the accounts of farmers. Societies will have the responsibility to keep ready their computers, printers, internet connectivity and inverters for smooth operation of P-PAS. P-PAS has been integrated with **Public Financial Management System (PFMS)** of Government of India for flawless credit of dues to farmers' registered bank accounts.

- 9.2 Depending on the availability of stable internet connectivity in societies, FS & CW Department shall conduct procurement operations on real time online basis. The Co-operation Department shall provide list of societies with stable net connectivity.
- 10.1 **Getting PPCs ready:** Each of the society selected by District Administration shall have one or more designated place(s) of business for purchasing paddy to be called Paddy Purchase Centre (**PPC**) or *mandi* where minimum infrastructural facility as detailed in **Annexure-I** shall be made available. The respective RMCs and societies themselves will be responsible for making these facilities available. An action plan for each society is to be prepared by the District Administration incorporating the steps described hereinafter. The District shall not recommend opening of new PPCs without creating adequate physical infrastructure.
- 10.2 District Administration shall declare the existing Market Yards located in procurement areas belonging to Regulated Market Committees (RMCs) as PPCs/ *mandies*. RMCs will declare the designated places of business of the societies as Additional Market Yards as per provisions of appropriate Act/ Rules. In heavy procurement blocks, **temporary market yards** with facilities (as mentioned in **Annexure-I**) would be set up by the RMCs concerned to help societies operate PPCs.
- 10.3 The RMC Market yards can be allotted to two to three societies to enable them to procure paddy from farmers of their jurisdiction as such market yards have better facilities for weighing and storing. Such market yards would be the second or third purchase centre (PPC/ *mandi*) for the society apart from their headquarters. Such facility may only be extended to those societies which have adequate

manpower to man more than one PPC. In such cases, adequate publicity needs to be given in villages concerned which are tagged to different PPCs of the society.

- 10.4 **Equipment for PPCs:** Collectors will assess the requirement of equipment at market yards/ PPCs for carrying out procurement operations. The purchase orders for these may be placed at the District level and funds shall be provided by the concerned RMCs. It shall be ensured that all PPCs have the necessary infrastructure in place before the start of procurement operations.
- 10.5 **Most societies do not have any facility for storing paddy.** Each society is expected to make arrangements to store paddy. This is necessary to ensure proper planning on part of the miller to organize adequate number of vehicles and also to ensure that society functionaries can concentrate on procurement. Therefore, where the societies do not have storage facility, they may plan temporary storage facility with sufficient polythene/ tarpaulin.
- 11.1 **Regulating arrival of paddy at PPCs:** Registered farmers who provide their contact numbers will be intimated through SMS about the date of purchase, **about seven days in advance** so far as practicable. Accordingly, they will bring the stipulated quantity to the PPC on the scheduled date. This would be done so as to stop crowding at the *mandies* in COVID-19 time and to assure all farmers that all their marketable surplus shall be procured by the society during the procurement period.
- 11.2 Collectors may assign various days of a week to PPCs for operation of *mandies* subject **to a minimum of three days.**
- 11.3 **Quality Check of paddy brought to PPCs:** Upon arrival of paddy at the PPC/ *mandi*, **society/RMC officials will conduct sample testing** of paddy to see if it conforms to the FAQ norms. If it does so, paddy will be purchased and payment made to the farmer within 24 to 48 hours. It may be noted that RMCs would provide temporary Quality Analysts and all necessary equipment for each *mandi/* PPC for facilitating purchase during the procurement period.
- 11.4 If paddy does not conform to the FAQ norm, a farmer will have two options. One option for the farmer is to take back the paddy, improve its quality and bring it back on another date to the PPC for sale. Second option would be to get the quality improved at the RMC. For this, as far as possible, adequate space and facility for cleaning should be created. They may engage WSHGs or private

entrepreneurs with power cleaners to provide paddy cleaning services. Farmers may avail this facility on payment basis.

- 11.5 Purchase of paddy shall be effected through proper biometric identification of farmers. To facilitate such identification necessary equipment have been provided by FS & CW Department.
12. **Training:** OSCSC shall be the nodal agency for the purpose of training to society and other officials connected with procurement process. It shall train district level Master Trainers at Revenue Divisional Headquarters with special emphasis on P-PAS. Video-conferencing facility may also be made use of for such training during Covid-19 times. These Master Trainers shall train society officials and others at the sub-district/ block level. Training should be completed well before the actual commencement of the procurement season.
- 13.1 **Payment of MSP:** OSCSC/ other State procuring agency **shall pay the Minimum Support Price (MSP)** fixed for KMS 2022-23 for the FAQ paddy procured by it / them from registered farmers through societies. *Purchase of FAQ paddy at prices below the Minimum Support Price will be punishable under the Essential Commodities Act, 1955.*
- 13.2 Payment of total cost of paddy sold to societies is to be made to farmers, **through online mode** within 24 to 48 hours of purchase to the bank accounts of farmers. Action is to be taken by Collectors against procuring societies who do not complete the process which in turn leads to delay in payment to the farmer within the prescribed period.
- 13.3 In exigencies of failure of online mechanism such payment will be made by way of direct transfer to farmers' accounts.
- 13.4 Collector of the district shall allocate target to the societies. Only in case of emergencies, OSCSC may be allowed by FS & CW Department to procure paddy directly from farmers.
- 14.1 **IEC activities:** FS & CW Department and the OSCSC will plan, guide and execute IEC campaign for successful implementation of Farmer Registration and paddy procurement programmes. There shall be awareness campaign for FAQ norms and MSP for paddy.

Wherever FS & CW Department or OSCSC incurs any expenditure on such IEC programmes, such cost shall be borne out of market fees payable to RMCs.

- 14.2 PACS/ LAMPCS, Women Self Help Groups (WSHG) and Pani Panchayats (PPs) engaged in paddy procurement in past years would be actively involved in the IEC campaign in their areas of operation.
- 15.1 **Assigning millers to PPCs/ mandies:** Collectors shall assign eligible Rice Mills to PPCs/ *mandis* taking into consideration milling capacity, storage capacity, their distance from the PPCs, past performance, amount of security deposit etc. and the surplus paddy available at the PPCs/ *mandis*. The tagging of mills to PPCs shall be done in such a manner that minimum expenditure is incurred on transportation. **M MDF system is being implemented to obtain the precise location of various Mandis, Mills, Depots and FPS points and to optimize their tagging arrangements for movement and delivery of paddy and CMR on least cost basis. Every miller shall register his/her Rice Mill online** on the website of the FS & CW Department **www.foododisha.in** and get it verified and updated through Chief CSO/ CSO-cum-DM of his/ her district in the database. **Those millers (intending to participate in KMS 2022-23) that had registered in last KMS 2021-22 may update, by the first week of October, 2022,** the data where there has been any change during past year. Online registration of rice mills is a pre-requisite for participation in the procurement operations for KMS 2022-23.
- 15.2 **Agreement with Millers:** No rice miller who has any outstanding dues to be paid to a State Government agency on account of CMR delivery of KMS 2020-21 and earlier procurement seasons shall be allowed to participate in the procurement operation in KMS 2022-23. **Rice millers shall sign an agreement with the State agency and undertake custom milling of paddy delivered to them for milling into rice as per the agreed terms and conditions and at the rates and norms fixed by such agency. After signing of agreement, the mill will be engaged in procurement operations by tagging it to PPCs/ mandies for paddy procurement and to RRCs/ FCI godowns for delivery of custom milled rice. The information will be updated in the system at the district level. The miller or his/her representative shall remain present on the procurement days at the PPCs/ mandies and shall ensure lifting of the paddy on regular basis to avoid stockpiling of paddy at PPCs.**
- 15.3 **Concurrent receipt of paddy & milling thereof by Custom Millers:** Custom millers shall ensure that receipt of paddy and milling thereof go on as a concurrent exercise **and they shall deliver CMR from the first month of receipt of paddy and months thereafter as per**



ratio to be fixed by the State agency taking into consideration their milling capacity. In no case paddy shall remain unmilled beyond the period agreed upon between the miller and the State agency and violation of the agreed conditions by the miller shall be a disqualification for further participation in procurement operations.

**15.4 Authorized Officer:** There shall be an Authorized Officer who will be in charge of the rice mill, participating as a Custom Miller. The Authorized Officer shall be appointed by Collector from Civil Supplies executive staff. The Authorized Officer shall ensure that custody and maintenance of paddy on behalf of OSCSC/ other State agency is done properly. He shall also conduct periodical verification of stock of paddy/ rice on the premises of the rice mill as per operational guidelines of OSCSC/ State agency. The Authorized Officer shall verify the paddy purchased, paddy received, CMR milled, CMR delivered by the miller at specified periodic intervals (usually every week) and submit a Verification Report to the CSO-cum-DM of the district on being satisfied that the CMR has actually been produced from the paddy received from the OSCSC/ State agency.

**15.5 Delivery Certificate (DC) Module:** On the basis of the Verification Report (VR) made by the Authorized Officer in-charge of the mill, the Delivery Certificate (DC) shall be generated from the web based DC Module by the Chief CSO/ CSO-cum-DM in favour of the miller to enable him to deliver at designated depots of OSCSC or FCI.

**15.6 Custom Milled Rice (CMR)** of the other State procuring agencies will be delivered to FCI/ OSCSC depots on the basis of Delivery Certificate (DC) issued by the district representative of the State agency based on the Verification report of the Authorized officer of the mill. The Authorized Officer in charge of the mill shall verify the paddy stocks received from State agency and submit the verification report to the district representative of such agency for issue of Delivery Certificate.

**15.7 Energy Bill verification:** The energy bills of the mill shall be checked by the Authorized Officer on every visit to assess whether the mills have actually produced the specified quantity and variety of rice during the period. The bills should be cross checked with the electricity utility authorities to determine their genuineness on regular basis.

**16.1 Supervision and monitoring:** The Collector of the district shall make a fortnightly review of the paddy purchased, paddy delivered to custom millers and CMR received from them. It is very important that

custom millers deliver 100% of CMR due from them to the OSCSC/ other State procuring agencies, if any, well before the deadline fixed for the purpose.

- 16.2 The Collector and the OSCSC shall finalize the procurement plan for Kharif/ Rabi well before actual start of procurement operations to ensure timely lifting of paddy arriving at PPCs/ Market Yards and make arrangements for payment of farmers' dues within the timeframe specified by this policy.
- 16.3 District level Procurement Committee (DLPC) shall meet under the Chairmanship of the District Collector at regular intervals apart from the mandatory pre-season meetings in October/ November (for Kharif) and April (for Rabi) for ensuring smooth procurement operations.
- 16.4 **Control Room:** A control room shall be set up at district headquarters during procurement period. The control room shall have a land line/ mobile which should be well publicized in print media and at PPCs/ *mandies*. All complaints received from farmers should be noted down in a register and sorted out immediately by coordinating with the agency involved. Dedicated personnel shall man the Control Room and offer help and guidance to farmers who ventilate any grievance. At the State headquarters a toll free number 1967 has been operationalized by FS & CW Department to receive grievances and resolve them in connection with paddy procurement.
- 16.5 The Collector shall appoint senior officers as Nodal Officers for each Block to ensure that farmers do not face any difficulty in selling their FAQ paddy and getting the MSP. A team of officers of Departments concerned for each sub-division under Sub-Collector shall be constituted to make random checks at PPCs/ mills during procurement period to ensure implementation of the policy. Any case of non-payment of MSP for FAQ paddy shall be brought to the notice of the Collector of the district for taking action as per law against agency/society concerned.
- 16.6 Collectors of the districts shall take all steps mandated by this policy for monitoring procurement, ensuring payment of Minimum Support Price to farmers for FAQ paddy and preventing recycling of subsidized PDS rice and avoiding distress sale of paddy. They are authorized to take appropriate action to achieve these objectives.
- 17.1 **Agreement of agencies with procuring societies:** To streamline paddy procurement through societies, OSCSC/ other State procuring agencies shall make an agreement with such societies (including

WSHGs/ Pani Panchayats) to engage them as their Commission Agents.

- 17.2 **Agreement of OSCSC with DSWO / Executive Engineer in charge of Pani Panchayats:** OSCSC/ other State procuring agencies shall enter into agreement with DSWO and Executive Engineer in charge of Pani Panchayats in case paddy is procured through WSHGs and Pani Panchayats respectively. All payments for purchase of paddy, commission to societies etc. shall be routed through these nodal officers.
- 17.3 **Inadequate number of Rice Mills in a District:** In case of districts where adequate number of rice mills is not available, or where paddy procurement is not smooth, OSCSC may assign to these districts millers from other districts with surplus capacity. However, one custom miller shall not participate in more than two revenue districts including the district where his rice mill is located. Decision on cross-district millers should be finalized by OSCSC at least 15 days before the start of the procurement operations in a district.
- 17.4 **Uncertified Boilers:** Millers having uncertified crude boilers shall not be allowed to undertake procurement and processing of paddy into parboiled rice with such uncertified boilers. However, such mills may be allowed to process and deliver raw rice.
- 17.5 **Certificate from State Pollution Control Board:** All mills which need certificate from State Pollution Control Board would arrange to get/ renew it well in time before start of the milling operation.
- 17.6 **Trading in rice and paddy:** As per the Removal of (Licensing requirements, Stock limits and Movement) Restrictions on Specified Foodstuffs Order, 2002 issued by Government of India, any dealer may freely buy, stock, sell, transport, dispose, acquire, use or consume any quantity of paddy/rice and shall not require a permit or a licence thereof under any order issued under the *Essential Commodities Act, 1955*.
- 17.7 **Boarder Sealing:** There is possibility that some unscrupulous traders/ persons may push paddy from neighbouring States into procurement system in boarder districts. This will deprive genuine farmers of the benefit of MSP. Boarder sealing and regular checking of inflow of unauthorized paddy from neighbouring States shall be ensured.
- 17.8 **Appropriate safeguards** should be taken to ensure the payment of **Minimum Support Price to farmers by dealers at the time of purchase** and appropriate supporting documents showing payment of market

fees if applicable and any statutory dues should be kept on record and produced on demand by competent authorities if the paddy stock is moving out of State.

**17.9 Procurement of packaging materials for custom milled rice:**

For packing of custom milled rice, OSCSC/ procuring agency shall make necessary arrangements to procure new gunnies of BIS prescribed specifications from Jute Commissioner of India (JCI).

**17.10 Authority of FS & CW Department:**

The Food Supplies and Consumer Welfare Department shall issue guidelines and clarifications, as and when required, to achieve the objectives of this policy. These guidelines and clarifications shall be final and binding on all authorities/ agencies procuring paddy, delivering CMR and overseeing such activities and all processes connected therewith.

  
(V.V. Yadav) 01/10/22

Principal Secretary to Government

**MINIMUM INFRASTRUCTURE FACILITIES AT PADDY PURCHASE CENTRES (PPCs)**

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1. Sufficient godown facility
2. Road for transportation
3. Weighing scale (Both electronic and manual)
4. Sample divider
5. Analysis kit
6. Set of sieves
7. Parkhi
8. Sample collecting pan
9. Moisture meter
10. Mini grader/ paddy cleaner
11. Polythene bag
12. Tarpaulin/ Polythene sheet
13. Waiting space
14. Drinking water facility
15. Toilet facility
16. Open/ covered platform having size of 20'x30'

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